

**USAID/Rwanda**  
**Operational Plan**

**FY 2006**

June 2, 2006

## **Please Note:**

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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**Program Performance Summary FY 2005:** Overall Performance: USAID completed the second full year of performance under the 2004-2009 strategy and transitioned its program into full compliance with the Strategic Framework for Africa through its recently submitted Strategy Statement. Despite reductions in funding in economic growth and agriculture activities, USAID targeted resources well to realize important results across all sectors. All programs performed effectively during leadership transitions for all teams.

In democracy and governance, USAID contributed significantly to an expansion of judicial independence. For the first time, judges have been deeply involved in preparing the budget for the judiciary itself. While this progress has caused some tension, the SO has helped to create an opportunity for Rwanda to move towards international standards of judicial independence. USAID supported a broad survey of “social cohesion” in Rwanda. It is the first of a series of five annual surveys done in conjunction with the National Unity and Reconciliation Commission (NURC) and builds capacity in the NURC to conduct objective unbiased polls in the future. Approximately 10,000 people were polled. The responses provided USAID with baseline information for SO indicators on the percentage of citizens engaged with government in targeted local government districts (33%). From this information USAID can more accurately target participation improvements in the coming years. 66% expressed confidence in government processes which met this year’s target. 46% of citizens thought that the Gacaca (traditional justice) courts are rendering equitable justice. This information helps gauge progress on the ambitious national reconciliation program that focuses heavily on the Gacaca community-based participatory justice system to advance resolution of the potential 700,000 caseload that remains from the 1994 genocide.

USAID also launched a flagship program in civil society, governance and reconciliation that seeks to bring Rwandan communities and grassroots organizations together with local government authorities to promote reconciliation and peace through socio-economic development activities and citizen involvement in national and local governance. Funds will be tapped by civil society organizations (CSOs) and district councilors in order to promote poverty alleviation and reconciliation, rural economic growth, and good governance and democratic practices. A total of 417 grants will be given to civil society actors and nearly 310 of these will support community projects and substantial local capacity building.

The health program strengthened the decentralized health system for family planning, reproductive and child health, malaria, HIV/AIDS and nutrition and improved access, quality and sustainability of basic health services. In response to worsening maternal and child health indicators, USAID worked successfully with the Government of Rwanda (GOR) to establish a Maternal and Child Health (MCH) Unit within the Ministry of Health. This was a considerable accomplishment given the GOR’s extensive cutbacks as part of a structural readjustment program that decreased the public sector work force significantly. The National Immunization Program (NIP) has been a model for the Africa Region. With assistance from USAID, the NIP met the DPT3 vaccination target of 75.0% in Kigali Ville and improved national coverage from 86.0% to 87.0%. USAID has overseen an increase in Contraceptive Prevalence Rates (CPR) in Kigali (the capital city) from 13.5 % in FY2004 to 18.8 % in FY2005 and national CPR from 4.3 % to 10.3 %. USAID assisted WHO/Afro and the African Development Bank (ABD) in the design of a regional malaria epidemic prevention and control initiative focusing on eight countries of East Africa and the Great Lakes Region including Rwanda.

USAID launched the five-year decentralization and health program in FY 2005 to create an operational environment where an integrated package of maternal and child health services could flourish. In order to stem the shortage of trained public health professionals in country, USAID scaled up assistance to Rwanda’s School of Public Health through an innovative capacity building program for district health officers. Over the past year, Tulane University has trained, in Rwanda, an equivalent of 146 professionals including 90 public health certificate students, 40 Masters of Public Health students and awarded 16 PhD’s in Public Health. These professionals contribute to health improvements across the health program.

In expanding economic opportunities in rural areas, USAID continued to register significant results in the agribusiness, agricultural productivity, small and medium enterprise and rural finance sectors in FY 2005. Specialty coffee production rose to 1,100 MT from 800 MT in FY 2004. This increase in specialty coffee offset the overall results of a poor coffee growing season due to inadequate rainfall in early FY 2005.

Coffee washing stations (CWSs) assisted by USAID produced 730 MT (exceeding the target of 668 MT) and cooperatives have been able to sell most of their production to premium or specialty markets. Proving the success of USAID's previous interventions, the number of international buyers of Rwandan coffee increased by 56%, (from 16 to 25), in the face low production. If the sector can increase by half both the production of specialty coffee and the number of buyers in a widely acknowledged dreadful year, the future is bright for Rwandan coffee. USAID also succeeded in expanding financial services. The targeted numbers of clients accessing financial services among USAID-assisted credit unions and micro-finance institutions has been exceeded. In Rwanda's leading Credit Union, the total number of members increased from 389,171 to 421,965 exceeding the life of project target by 5.5%. The Development Credit Authority program with Banque de Kigali has already used 84% of its authorized level to increase much needed finance for the agriculture sector. USAID partners have expanded competitive client-oriented microfinance services beyond the targeted number by almost 20%.

**Factors Affecting Program Performance:** The GOR attained several economic milestones in 2005. Full HIPC completion status with a sound budget to limit new loans will require increased grant funding from donors. Rwanda assumed the chair of Common Market for East and Southern Africa (COMESA) in 2005, hosted the COMESA Heads of State Summit solidifying its commitment to free trade and regional development and continued to promote privatization, foreign investment and trade exports. Rwanda was cited by the International Finance Corporation (IFC) as having one of the ten most improved investment climates in the world. Finally, Rwanda was one of the first countries to participate in the New Partnership for Africa's Development's (NEPAD) peer review process in which other experts from African countries assess Rwanda's progress on governance. The results were largely positive and are expected to be officially released in early 2006.

The GOR is in the midst of a national re-districting of local government to be completed in 2006 with the election of new local officials to replace appointed ones. While this change is positive, because it reduces administrative layers and increases local decision-making, it may be disruptive in the short term as the GOR and its partners work to maintain effective relationships at the local level. Many USAID programs in health and governance work with local government groups and community-based organizations and will need to identify new local government partners as re-districting progresses. Performance measurement will need to be re-calibrated to reflect the new district designations and some previous data will not be comparable between FY 2005 and FY 2006. Teams will accordingly complete the re-alignment of the Performance Management Plans in FY 2006 to reflect these new units of measurement and offer new baseline measures where needed.

**Global Development Alliances:** World Links and its partners completed their three-year alliance with USAID in FY 2005. Over the life of the project, \$1 million of USAID resources leveraged \$4 million in partner resources. By the end of FY 2005, the alliance had provided a total of 936 primary schools (50% of total) with at least one computer and/or laptop, trained 1,856 primary school teachers in basic computer literacy, and distributed 1,034 Alphasmart machines. The two-year Rwanda Knits GDA leveraged \$60,000 in cash and in-kind support from a new local NGO partner, Rwandans and Americans in Partnership (RAP) through a Mission grant signed in FY 2005. Approximately 1,280 women will be trained to knit using mainly mohair yarn for export to the U.S. and acrylic yarn for the local market. 602 knitting machines have been ordered. RAP also identified potential U.S. buyers through a partnership with a US-based women's group BPeace (Business Council for Peace) and three export projects are in the pipeline for shawls, scarves, felted purses and special Rwandan flag colored shawls for the knitters' competition in New York, USA. The goal is to institutionalize the program for sustainability, which will positively affect much larger industries, such as textiles, agriculture (producing wool and angora), construction (building of regional knitting centers and construction of equipment), shipping and transportation, and vocational education.

Two new USAID alliances in FY 2005 include the World Relief Essential Oil alliance and the Grameen Foundation Village Phone alliance. The Essential Oil Alliance will strengthen and expand the essential oil natural products sector in Rwanda, increase exports of essential oils and increase incomes to rural farmers through this value-added product. The one-year Grameen Foundation Village Phone alliance will include the Grameen Foundation, MTN (South African cell phone company) and organizations from the

microfinance sector in Rwanda. The activity will support rural financial services delivery and business development, and foster the promotion of value-added, cross-cutting communication technologies. MTN Rwanda will reduce the need to develop expensive channel-to-market infrastructure to address underserved markets in the more distant rural areas.

**Non-traditional USAID partners:** USAID continues to expand work with non-traditional partners such as new and existing local organizations, alliances, and faith-based organizations. In FY 2005, USAID began two new flagship activities including the Civil Society, Governance and Reconciliation (CSGR) activity and the Emergency Plan funded Community HIV/AIDS Mobilization Program (CHAMP). The CSGR implementing partner will work through SERUKA, a local women's NGO, and together with local government authorities to award 417 grants worth over \$2.5 million with Rwandan communities and grassroots organizations. The grants will not only build SERUKA's capacity but will also develop local civil society groups that promote reconciliation and peace through socio-economic development activities and promote citizen involvement in national and local governance. Since 2001, the Mission has provided support to SERUKA, a local organization which aims to enhance women's awareness about special genocide courts (Gacaca). Activities have increased the number of women elected as Gacaca judges and strengthened SERUKA's institutional capacity. In FY 2005, USAID support to the Women's Investment Fund (WIF) trained 740 poor rural women solidarity groups in 19 districts promoting peace, unity and reconciliation, gender equity and empowerment, and HIV/AIDS prevention and mitigation. USAID provided substantial technical assistance support to a new local NGO partner, Rwandans and Americans in Partnership (RAP), to build their financial and budgeting system.

USAID works closely with numerous faith-based organizations (FBOs) including Adventist Development Relief Agency (ADRA), Catholic Relief Services (CRS), World Vision (WV), and World Relief (WR) among others. The ADRA Outdoor Experiential Therapy Project provides youth with adventure therapy for trauma healing and a forum through camp togetherness activities for conflict reduction skills acquisition. The Health and Emergency Plan programs provided support to 59 local Christian-based organizations through our implementing partners including Caritas, Pamasor, and the Catholic Archdiocese. The WR Microfinance Project aims to scale-up micro-finance activities among women's solidarity groups and village banking structures. WR works with a number of partners including Vision Finance (an affiliate of WV), and URWEGO Community Banking Association, both of which are faith-based. WR Mobilizing LIFE HIV/AIDS Awareness Program supports church based HIV/AIDS prevention and care programs in ten provinces, educates teachers and youth on the dangers of AIDS and encourages them to have a positive influence on their peers. Two of USAID's three P.L. 480 Title II programs are with faith based organizations, CRS and WV. They contribute to improved employment, agricultural technologies, agribusiness development, incomes and food security, and infrastructure. These partners will continue to further USAID's programs.

**HIV/AIDS:** Rwanda is a focus country under the President's Emergency Plan and achieved impressive results in FY2005. Anti-retroviral treatment sites provided treatment to 15,975 patients, as compared to fewer than 100 in the entire country in 2003. USAID provided care and support for more than 59,000 people, and 132,922 pregnant women received services to prevent mother-to-child transmission of HIV/AIDS. 26,682 orphans and vulnerable children are receiving care and support. 310,577 people received voluntary counseling and testing. Ongoing capacity building of critical institutions and systems will assure steady progress and facilitate the continuation of essential HIV services beyond 2008. Rwanda's capacity to respond to the HIV/AIDS challenge has been significantly boosted by recent funding from the Emergency Plan, Global Fund rounds 1, 3, 4 and 5, and the World Bank.

**Gender:** The GOR encourages active participation of women in elected and other governmental positions. Rwanda is the country with the highest representation of women in legislature (49%) due in large part to the GOR's very progressive policies and commitment to gender equality. The democracy and governance program supports local CSOs that are working to identify and encourage women to actively participate in elected and appointed positions at the local and national levels. Funding for district level activities under the decentralization program is available only when local leaders demonstrate that women are proportionately represented.

The Health program works on behavior change communication (BCC) interventions targeted at men to empower them to break the cultural norm of male domination over women. Through the Emergency Plan program, USAID is implementing sexual and gender-based violence (SGBV) programs aimed at documenting this problem and assisting women who are victims with counseling, health care and other appropriate support. To increase the participation of women in designing and implementing new health activities, the Health SO will identify gender concerns in national health policies and take gender into account in resource allocation and management activities.

The Rural Economic Growth program targets interventions where women can benefit such as coffee cooperatives where women comprise the majority of the membership and management structure, and microfinance activities with women's solidarity groups. The program is also developing labor saving agricultural technologies that will alleviate the burden for female producers, providing direct food distribution to widow-headed households, seeking to support widow-headed handicraft cooperatives, and engaging in policy dialogue and advocacy on issues such as land reform that directly impact on women.

Youth: USAID includes youth programs in its efforts to prevent HIV/AIDS transmission, and in its work to assist orphans and vulnerable children (25,000 in 2005). A new radio education effort in the Lake Kivu region is getting underway to provide basic education instruction to youth and has the potential of adding other topics such as HIV/AIDS prevention methods and using reconciliation messages. A large number of rural young people obtain gainful employment under the coffee cooperatives activities. USAID conducted "outdoor adventure therapy" activities for youth who show signs of trauma or who are living on the street. USAID will continue to seek support from regional programs and earmarks, such as those in education, supporting victims of torture and conflict management to support and expand youth-focused programs. Through the Forum for African Women Educationalists (FAWE), the Girls Scholarship program funded by the Africa Education Initiative supported 1,500 students from poor communities in 48 schools, building the capacity of FAWE and providing the scholarship recipients with mentoring and life strategies. First Lady Laura Bush praised the program during her visit to Rwanda in 2005.

Urbanization: USAID/Rwanda brings resources to the urban sector through its governance and health programs. Investments in local organizations provide sanitation and water to poor sections of Kigali as part of a slum upgrading effort supported by international and donor groups including USAID. Nearly one million Rwandans are served by the urban and peri-urban health facilities of Kigali supported by USAID. Although access to and use of health facilities and services is higher in these areas, financial access remains a significant barrier to the city's poorest. To overcome these obstacles, USAID has assisted the GOR to design and promote community-based health insurance programs, reducing the overall costs to individuals through a cross-subsidy fee structure. USAID's health program is also supporting the City of Kigali to develop an urban strategy for community health workers. USAID is a partner in the City Alliance Initiative with Kigali, a project that will improve municipal waste water evacuation.

Governance: USAID addresses governance directly under its democracy & governance, and health & HIV/AIDS programs through an innovative combined program that promotes decentralization of resources at the district level and ensures that local governments have the capacity to address planning and service delivery focused on health. The economic growth program contributes to governance through its support to the establishment and capacity building of farmers cooperatives in the specialty coffee sector.

Program Integration: In addition to some of the cross-cutting themes mentioned above, USAID has developed a significant amount of integration across its portfolio. USAID is actively linking Emergency plan programs to other programs to build synergies and expand impact. An HIV/AIDS program which will increase the capacity of local service delivery CSOs will also work with and contribute to our civil society development objectives. By linking Emergency plan funding for microfinance to people with HIV/AIDS to our economic growth microfinance program we are creating synergies and expanding impact. USAID is facilitating dialogue between our P.L. 480 partners and Emergency Plan partners to provide food for needy HIV/AIDS patients. This integration contributes significantly to increases in numbers of people served and its impact of the program. USAID is also integrating basic education activities within the democracy and governance arena through a radio based basic education program that will provide literacy and numeracy using conflict reduction and reconciliation messages.

For additional information see <<http://www.usaid-rwanda.rw/>>, the USAID/Rwanda website.

**FY 2006 Program****SO: 696-005 Improved governance through increased citizen participation****Mitigate Conflict and Support Peace**

Mitigate Conflict and Support Peace (\$812,000 DA). Rwanda's long process of reconciliation continues to be a top national priority. USAID is supporting the National Unity and Reconciliation Commission to build its capacity for impartial documentation and research on the reconciliation process. A radio-based program for youth that promotes basic education and literacy using conflict reduction and reconciliation messages is being formulated. Principal contractors and grantees: International Rescue Committee (IRC) (prime); others to be determined.

**Strengthen Civil Society**

Strengthen Civil Society (\$1,050,000 DA). Civil society is critical to increasing public discourse, effective service delivery and poverty reduction in Rwanda. USAID is providing technical assistance and training to local non-governmental organizations (NGOs) in local-level policy and decision-making processes, advocacy skills, grants management, information and communications technology, and the promotion of diversity, gender equality and reconciliation. The program focuses on national and local level civil society organizations working to promote socio-economic activities that produce concrete results at the community level, with a special focus on the role of gender in the reconciliation process. The program also supports interaction between national and local elected representatives and communities. Principal contractors and grantees: IRC (prime) with Seruka (Coming Forward to Give Our Best, a Rwandan NGO) (sub).

**Support Democratic Local Government & Decentralization**

Support Democratic Local Government and Decentralization (\$750,000 DA). Rwanda has embarked on an ambitious decentralization program to increase autonomy and service delivery at local levels throughout the country. USAID continues to support local governments to more effectively plan, budget and deliver social services, including health. Assistance to the Ministry of Local Government is helping define national policy development and implementation. Support for local governments is improving the management of community projects and the delivery of services. USAID supports anti-corruption activities that increase accountability and local level oversight that helps to prevent the mismanagement of increased resources that flow to local governments. Principal contractors and grantees: IntraHealth (prime), Research Triangle Institute, Rwandan Association of Local Government Authorities (RALGA), ProFemmes (Rwandan Women's NGO), Tulane University, and EngenderHealth (all subs).

**FY 2007 Program****SO: 696-005 Improved governance through increased citizen participation****Mitigate Conflict and Support Peace**

Mitigate Conflict and Support Peace: (\$148,000 DA). USAID will continue to support the National Unity and Reconciliation Commission to build its capacity for impartial documentation and research on the reconciliation process. A radio-based education program for youth will continue to provide basic education and literacy using conflict reductions and reconciliation messages. Principal contractors and grantees: Same as FY 2006.

**Strengthen Civil Society**

Strengthen Civil Society (\$900,000 DA). USAID will continue to provide technical assistance and training to local NGOs in local-level policy and decision-making processes, advocacy skills, grants management,



information and communications technology, including the promotion of diversity, gender equality and reconciliation. The program will focus on national and local level civil society organizations working to promote socio-economic activities and the role of gender in the reconciliation process. The program will also support interaction between national and local elected representatives and communities. Principal contractors and grantees: Same as FY 2006.

### **Support Democratic Local Government & Decentralization**

Support Democratic Local Government and Decentralization (\$600,000 DA). USAID will continue to support local governments to more effectively plan, budget and deliver social services, particularly health. Assistance to the Ministry of Local Government will continue to work on national policy development and implementation. Support for local governments on the management of community projects and the delivery of services continues. Anti-corruption activities continue to increase accountability and local level oversight to prevent the mismanagement of local government resources. Principal contractors and grantees: Same as FY 2006.

### **FY 2006 Program**

**SO: 696-006 Increased use of community health services including HIV/AIDS**

### **Improve Child Survival, Health & Nutrition**

Improve Child Survival, Health and Nutrition (\$2,000,000 CSH). USAID improves the quality of and access to services and financing for newborn and child health, nutrition, and micronutrient supplementation. New programs combat the intermittent presumptive treatment of malaria. Nutrition programs provide high micronutrient crops for demonstration and dissemination. The Ministry of Health receives assistance in developing and implementing new child health guidelines. USAID continues to provide training and technical assistance at the national and local levels to support the decentralization of the health sector; provide methods for financing and increase access to community-based health insurance. The number of Rwandan health care professionals trained to the Masters of Public Health level in-country in collaboration with a U.S. university will increase. Principal contractors and grantees: IntraHealth International (prime), Tulane University, EngenderHealth (subs); Partnership for Child Health Care (prime); and ORC Macro (prime).

### **Improve Maternal Health & Nutrition**

Improve Maternal Health and Nutrition (\$1,500,000 CSH). USAID is increasing access to and the quality of reproductive health interventions and assist the Government of Rwanda (GOR) to expand the range of services available, both in health care units and in communities. A new fistula activity is being launched to save more women and girls from this significant cause of morbidity. Nutrition programs target pregnant women. Principal contractors and grantees: IntraHealth International, EngenderHealth (primes), and Tulane University (sub).

### **Prevent & Control Infectious Diseases Of Major Importance**

Prevent and Control Infectious Diseases Of Major Importance (\$1,663,000 CSH). USAID is working with the GOR to promote primary prevention and treatment for malaria through the decentralized health service system, training of health care providers, and improvement of national treatment protocols. USAID trains health care professionals in epidemiology and biostatistics to increase capacity in national disease surveillance. Principal contractors and grantees: IntraHealth International (prime), Engender Health (sub), and Tulane University (prime).

### **Reduce Transmission & Impact Of HIV/AIDS**

Reduce Transmission and Impact of HIV/AIDS: See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

### **Support Family Planning**

Support Family Planning (\$2,000,000 CSH). Rwanda is one of the most densely populated country in Africa. USAID helps create voluntary demand for family planning services, assures a consistent supply of contraceptives, and trains health care workers in family planning service delivery to extend coverage nationally. Policy assistance to the Ministry of Health helps implement new family planning policies and build staff capacity. Principal contractors and grantees: John Snow International (prime); Georgetown University (prime), Johns Hopkins Program in Reproductive Health (JHPIEGO), CARE, Catholic Relief Services (subs), IntraHealth International (prime); and Futures Group (prime).

### **FY 2007 Program**

**SO: 696-006 Increased use of community health services including HIV/AIDS**

### **Improve Child Survival, Health & Nutrition**

Improve Child Survival, Health and Nutrition: (\$2,200,000 CSH). USAID will continue to improve the quality of and access to services and financing for newborn and child health, nutrition, and micronutrient supplementation. Programs in intermittent presumptive treatment of malaria will continue. Nutrition programs will continue providing high micronutrient crops for demonstration and dissemination. USAID will continue to provide training and technical assistance at the national and local levels to support the decentralization of the health sector, provide methods for financing and increase access to community-based health insurance. USAID will continue to increase the number of Rwandan health care professionals trained to the Masters of Public Health level through an in-country degree-granting program in collaboration with a U.S. University. Principal contractors and grantees: Same as FY 2006.

### **Improve Maternal Health & Nutrition**

Improve Maternal Health and Nutrition: (\$2,129,000 CSH). USAID will continue to increase access to and the quality of reproductive health interventions and assist the GOR to expand the range of services available, both in health care units and in communities. The fistula activity will continue to save women and girls from this significant cause of morbidity. Nutrition programs will target pregnant women. Principal contractors and grantees: Same as FY 2006.

### **Prevent & Control Infectious Diseases Of Major Importance**

Prevent and Control Infectious Diseases of Major Importance (\$1,200,000 CSH). USAID will continue to work with the GOR to promote primary prevention and treatment for malaria through a decentralized system, training health care providers, and improving national treatment protocols. USAID will continue training health care professionals in epidemiology and biostatistics to increase capacity in national disease surveillance. Principal contractors and grantees: Same as FY 2006.

### **Reduce Transmission & Impact Of HIV/AIDS**

Reduce Transmission and Impact of HIV/AIDS: See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

### **Support Family Planning**

Support Family Planning (\$2,200,000 CSH). USAID will continue creating voluntary demand for family planning services, assuring a consistent supply of contraceptives, and training health care workers in family planning service delivery to extend coverage nationally. Policy assistance to the Ministry of Health will continue help to implement new family planning policies and build staff capacity. Principal contractors and grantees: Same as FY 2006.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

#### **FY 2006 Program**

#### **SO: 696-007 Expanded economic opportunities in rural areas**

##### **Improve Private Sector Competitiveness**

Improve Private Sector Competitiveness (\$1,540,000 DA). Rwanda seeks to provide increased economic opportunities in rural areas as part of its long term strategy for economic growth and export promotion. USAID is expanding and diversifying export-oriented agribusinesses targeting key commodities such as specialty coffee, chili peppers, and essential oils. USAID is identifying other rural income generating opportunities in proximity to Nyungwe National Park that contribute to both rural economic transformation and biodiversity conservation. Programs build upon regional efforts which promote international trade under the African Global Competitiveness Initiative, and improved regional transportation. P.L. 480 resources are being used to promote food security and income through enterprises that process wheat, rice, and dairy for local sale and consumption. Principal contractors and grantees: World Relief (prime); others to be determined.

##### **Increase Agricultural Sector Productivity**

Increase Agricultural Sector Productivity (\$700,000 DA). USAID's assistance to the national agricultural research institute ends in FY 2006, and new activities will work on increasing production for crops where market demand is established and has the potential to grow. These include coffee, chili peppers and essential oils. In addition, soil conservation measures, such as terracing of steep hills, funded by P.L. 480 combat the number one constraint to Rwandan agriculture - poor soil fertility. The regional famine early warning system is providing food security and rainfall monitoring information that helps local producers and authorities accurately predict crop yields and potential rainfall shortages. Principal contractors and grantees: To be determined.

##### **Strengthen The Financial Services Sector & Increase Access to Capital**

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,000,000 DA). To give Rwandan enterprises, cooperatives and groups greater access to credit so that they can expand, USAID is scaling up "best practices" in rural finance. This will help to increase the client base, particularly in the underserved agriculture sector, and among underserved borrowers, notably women. USAID is building the capacity of microfinance institutions (MFIs) to increase savings mobilization and help make credit available to enterprises, women's solidarity groups and village banking structures. Using a combination of financial services and information technologies, USAID is leveraging private sector resources to expand village phone availability in rural areas to create employment and increase incomes. USAID is planning to build on the first successful effort to mobilize lending for the agriculture sector through a Development Credit Authority (DCA) loan guarantee. A new \$450,000 DCA is being developed to expand the program which is unleashing much needed private capital in the agricultural sector. Principal contractors and grantees: World Relief, Women's Investment Fund, and Grameen Foundation (primes).

#### **FY 2007 Program**

## **SO: 696-007 Expanded economic opportunities in rural areas**

### **Improve Private Sector Competitiveness**

Improve Private Sector Competitiveness (\$1,000,000 DA). Agribusiness programs will be developed to replace those that ended in FY 2006. The principal agricultural sub-sector will remain specialty coffee, although other opportunities in chili peppers, essential oils, and handicrafts may also be pursued. The focus of this new phase in USAID's support to Rwandan agribusiness will be on sustainability by building the capacity of local firms to compete in international markets without USAID assistance. USAID will continue work on a biodiversity activity around Nyungwe National Park that contributes to both economic growth as well as biological conservation by focusing on the tea, honey and tourism sectors. P.L. 480 resources will continue to be used to promote food security through value-added processing of wheat, rice, and dairy products. Principal contractors and grantees: To be determined.

### **Increase Agricultural Sector Productivity**

Increase Agricultural Sector Productivity (\$600,000 DA). USAID will continue to increase production for crops where market demand is established and growing. These include specialty coffee, chili peppers and essential oils. P.L. 480 resources will fund dissemination of nutritionally enhanced varieties for people living with HIV/AIDS and other vulnerable populations to assist the transition away from direct food distribution for those healthy enough to farm. Through the regional famine early warning system, USAID will continue to monitor the food security situation and play an active role in the Government of Rwanda's Disaster Management Unit. Principal contractors and grantees: To be determined.

### **Strengthen The Financial Services Sector & Increase Access to Capital**

Strengthen the Financial Services Sector and Increase Access to Capital (\$695,000 DA). USAID will design a new activity for microfinance targeting loans to the rural poor. USAID will continue to extend credit to targeted agribusinesses through a new loan guarantee facility using the DCA program. Micro credit activities will increase access to finance for people living with HIV/AIDS through scaled up activities benefiting from a partnership with the President's Emergency Plan for AIDS Relief. Principal contractors and grantees: World Relief (prime); others to be determined.

## **Results Framework**

### **696-005 Improved governance through increased citizen participation**

**Program Title: Democracy and Good Governance**

- 5.1: Reinforced capacity for implementation of decentralized policy in target districts
- 5.2: Increased government responsiveness to citizen groups at the national level
- 5.3: Enhanced opportunities for reconciliation

### **696-006 Increased use of community health services including HIV/AIDS**

**Program Title: Health and HIV/AIDS**

- 6.1: Reinforced capacity for implementation of decentralization policy in target districts
- 6.2: Increased access to selected essential health commodities and community health services
- 6.3: Improved quality of community health services
- 6.4: Improved community level response to health issues (HIV/AIDS/Family planning/Child Survival/Malaria)

### **696-007 Expanded economic opportunities in rural areas**

**Program Title: Rural Economic Growth**

- 7.1: Expanded adoption of improved agricultural and business practices
- 7.2: Rural finance more accessible
- 7.3: Rural infrastructure improved